

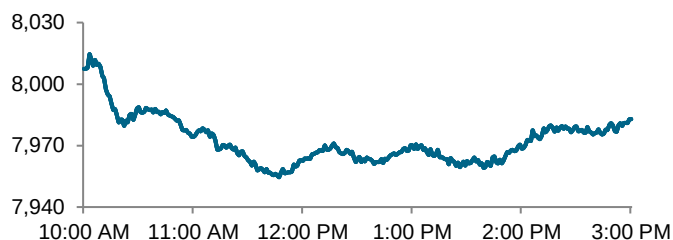
# DAILY MARKETS OVERVIEW

24 FEBRUARY 2020

السوق السعودي  
Saudi Fransi Capital  
Distinguished Service, Outstanding Performance



## TASI Intraday



Source: Reuters

## Saudi Stock Indices

| Index                          | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|--------------------------------|------------|---------|-------|-------|----------|
| Saudi (TASI)                   | 7,983      | -0.3    | -0.3  | -4.8  | 21.9     |
| Saudi (NOMU)                   | 7,331      | 1.4     | 1.4   | -1.5  | NA       |
| Energy                         | 5,166      | 0.9     | 0.9   | -5.1  | NA       |
| Materials                      | 4,833      | -0.3    | -0.3  | -6.5  | 41.3     |
| Capital Goods                  | 4,488      | 0.2     | 0.2   | 3.6   | 37.5     |
| Com. & Prof. Svc               | 4,621      | 0.7     | 0.7   | -3.2  | 18.0     |
| Transportation                 | 4,667      | 0.2     | 0.2   | 6.2   | 22.3     |
| Cons. Durables & Apparel       | 3,693      | 1.1     | 1.1   | 5.3   | NA       |
| Consumer Services              | 4,289      | 0.5     | 0.5   | 8.3   | 40.0     |
| Media                          | 9,202      | -0.1    | -0.1  | -2.1  | 36.1     |
| Retailing                      | 7,736      | 0.4     | 0.4   | 0.5   | 32.8     |
| Food & Staples Retailing       | 7,157      | -0.4    | -0.4  | 8.2   | NA       |
| Food & Beverages               | 4,368      | 0.5     | 0.5   | 0.3   | 47.8     |
| Health Care Equipment          | 3,957      | 1.6     | 1.6   | 6.1   | 26.5     |
| Pharma, Biotech & Life Science | 3,740      | 0.5     | 0.5   | 4.0   | NA       |
| Banks                          | 7,620      | -0.9    | -0.9  | -6.0  | 13.6     |
| Diversified Financials         | 3,570      | 0.2     | 0.2   | 8.1   | NA       |
| Insurance                      | 4,618      | -0.3    | -0.3  | 2.3   | NA       |
| Telecommunication              | 5,731      | -1.6    | -1.6  | -11.5 | 20.5     |
| Utilities                      | 3,791      | -1.8    | -1.8  | -13.8 | 41.8     |
| REITs                          | 4,247      | 0.1     | 0.1   | 1.2   | 21.0     |
| Real Estate                    | 3,160      | 1.0     | 1.0   | 0.9   | NA       |

Sources: Bloomberg, Reuters, Tadawul

## Top 5 Gainers

| Company                            | Last Close | % Change | Value (SAR mn) |
|------------------------------------|------------|----------|----------------|
| Ataa Educational Co.               | 39.30      | 6.2%     | 23             |
| Arabian Pipes Co.                  | 14.60      | 4.6%     | 56             |
| Al Gassim Investment Holding Co.   | 12.90      | 4.2%     | 36             |
| Allied Cooperative Insurance Group | 21.38      | 4.2%     | 26             |
| United Wire Factories Co.          | 21.50      | 3.4%     | 5              |

Source: Tadawul

## Latest Earnings

| Company       | Date   | Period | Q NI (SAR mn) | Y/Y % | Q EPS (SAR) | Vs. Consensus |
|---------------|--------|--------|---------------|-------|-------------|---------------|
| Care          | 23-Feb | 4Q19   | 80.1          | 29%   | 1.79        | NA            |
| SSP           | 20-Feb | 4Q19   | -2.9          | 97%   | -0.06       | NA            |
| Anaam Holding | 20-Feb | 4Q19   | -86.9         | -902% | -4.43       | NA            |
| MIS           | 19-Feb | 4Q19   | 36.8          | 1%    | 2.30        | NA            |
| Catering      | 18-Feb | 4Q19   | 101.3         | 33%   | 1.24        | NA            |

Source: Tadawul

**NOTES:** (1) Prices as of last trade. Updated as of February 24, 2020

(2) WTD: Week to Date and YTD: Year to Date

## Saudi Market Update

- TASI closed 0.3% lower to 7,983 while NOMU gained 1.4% to 7,331 on Sunday. TASI traded value totaled SAR 3.0bn and averaged SAR 3.5bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 37.2% of the daily traded value.
- MSCI Emerging Markets was closed for trading on Sunday.
- Banks and Materials declined 0.9% and 0.3%, respectively. Telecom closed 1.6% lower. Health Care Equipment (up 1.6%) was the best performing sector. Among stocks, Ataa Educational Co. (4292/ATAA AB), Arabian Pipes Co. (2200/APCO AB), and Al Gassim Investment Holding Co. (6020/GACO AB), led the gainers.
- According to the Capital Market Authority (CMA), the total value of assets held by the investment funds in KSA rose 20% Y/Y to SAR 349.5bn (USD 93.2bn) in 2019, compared to SAR 290.2bn (USD 77.4bn) in 2018. (Source: Argaam)
- Al-Babtain Power & Telecommunication Co. (2320/ALBABTAI AB) agreed with Portuguese Metalogalva to extend the binding memorandum of understanding (MoU) for sale of 49% of Al-Babtain France to the latter within two months. The extension was agreed due to non-completion of the deal's legal draft. (Source: Argaam)
- Dallah Healthcare Holding Co. (4004/DALLAH AB) signed a non-binding memorandum of understanding (MoU) to acquire a majority stake in Makkah Medical Center Co. The MoU will be effective as of the signing date until June 30, 2020. The final value of the potential deal, which will be paid in cash, will be defined upon finalizing the due diligence process. (Source: Argaam)
- Saudi Kayan Petrochemical Co. (2350/KAYAN AB) announced that it has completed the 21-day scheduled maintenance of its ethylene glycol/ ethylene oxide plants, which started on February 1, 2020. (Source: Argaam)
- Saudi Real Estate Co. (4020/SRECO AB) secured a SAR 100mn (USD 26.7mn) sharia-compliant facility from The Saudi British Bank (1060/SABB AB) to finance working capital requirements. (Source: Argaam)
- Saudi Automotive Services Co. (4050/SACO AB) received the renewal of the qualification certificate from the Ministry of Rural Affairs for a period of three years ending on January 22, 2023. The renewal is required for the management, operation and maintenance of petrol stations and service centers on regional roads. (Source: Argaam)

## Top 5 Losers

| Company                    | Last Close | % Change | Value (SAR mn) |
|----------------------------|------------|----------|----------------|
| Baazeem Trading Co.        | 40.65      | -2.9%    | 12             |
| Northern Region Cement Co. | 12.60      | -2.3%    | 15             |
| Saudi Electricity Co.      | 17.08      | -2.2%    | 40             |
| Arabian Cement Co.         | 36.00      | -2.2%    | 6              |
| The Qassim Cement Co.      | 69.00      | -2.1%    | 21             |

## Most Active Stocks by Value (SAR mn)

| Company                       | Last Close | % Change | Value (SAR mn) |
|-------------------------------|------------|----------|----------------|
| The Saudi Arabian Oil Company | 34.05      | 1.2%     | 385            |
| Al Rajhi Bank                 | 65.30      | -0.3%    | 271            |
| Alinma Bank                   | 24.48      | -1.1%    | 189            |
| Jabal Omar Development Co.    | 29.25      | 2.6%     | 136            |
| Ash-Sharqiyah Development Co. | 85.20      | 0.8%     | 112            |

Source: Tadawul

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## GCC Stock Indices

| Index           | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|-----------------|------------|---------|-------|-------|----------|
| Dubai (DFM)     | 2,718      | -0.7    | -0.7  | -1.7  | 9.8      |
| Abu Dhabi (ADX) | 5,042      | 0.2     | 0.2   | -0.7  | 14.9     |
| Kuwait (KSE)    | 5,511      | -0.1    | -0.1  | -1.4  | 19.2     |
| Qatar (QE)      | 9,898      | -0.4    | -0.4  | -5.1  | 14.4     |
| Oman (MSM)      | 4,197      | 0.1     | 0.1   | 5.4   | 8.4      |
| Bahrain (BSE)   | 1,669      | 0.0     | 0.0   | 3.6   | 12.4     |
| DJMENA Index    | 583        | -0.4    | -0.4  | -3.7  | NA       |

Source: Bloomberg, Reuters

## Global Stock Indices

| Index                 | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|-----------------------|------------|---------|-------|-------|----------|
| US (S&P 500)          | 3,338      | -1.1    | -1.3  | 3.3   | 22.1     |
| US (NASDAQ 100)       | 9,577      | -1.8    | -1.6  | 6.7   | 25.6     |
| UK (FTSE 100)         | 7,404      | -0.4    | -0.1  | -1.8  | 20.0     |
| Germany (DAX)         | 13,579     | -0.6    | -1.2  | 2.5   | 25.6     |
| France (CAC 40)       | 6,030      | -0.5    | -0.7  | 0.9   | 22.4     |
| Russia (MICEX)        | 3,106      | -0.6    | 0.3   | 2.0   | 6.3      |
| Japan (Nikkei)        | 23,387     | -0.4    | -1.3  | -1.1  | 20.6     |
| Hong Kong (HSI)       | 27,309     | -1.1    | -1.8  | -3.1  | 11.2     |
| South Korea (KOSPI)   | 2,163      | -1.5    | -3.6  | -1.6  | 19.3     |
| China (SHCOMP)        | 3,040      | 0.3     | 4.2   | -0.3  | 14.6     |
| India (NIFTY)         | 12,081     | 0.0     | -0.3  | -0.7  | 23.6     |
| Brazil (IBOV)         | 1,13,681   | -0.8    | -0.6  | -1.7  | 17.4     |
| Turkey (BIST 100)     | 1,16,829   | 1.0     | -2.8  | 2.1   | 9.3      |
| Egypt (EGX30)         | 13,721     | 0.0     | -1.0  | -1.7  | 11.4     |
| MSCI Emerging Markets | 1,084      | -1.0    | -2.0  | -2.7  | 15.1     |
| MSCI World            | 2,403      | -0.7    | -1.2  | 1.9   | 21.0     |

Source: Bloomberg, Reuters

## Commodities Prices

| Index                  | Last Close | 1 Day % | WTD % | YTD % | 1 Year % |
|------------------------|------------|---------|-------|-------|----------|
| Brent Crude (\$/bbl)   | 58.5       | -1.4    | 7.4   | -11.4 | -12.8    |
| Natural Gas (\$/mmbtu) | 1.9        | -0.5    | 2.6   | -12.7 | -34.3    |
| Gold (\$/oz)           | 1,643      | 1.5     | 4.6   | 8.3   | 22.8     |
| Silver (\$/oz)         | 18.5       | 0.7     | 4.5   | 3.6   | 15.2     |
| Platinum (\$/oz)       | 975        | -0.5    | 0.8   | 0.9   | 17.9     |
| Copper (\$/t)          | 5,746      | 0.7     | 1.7   | -6.6  | -10.6    |
| Zinc (\$/t)            | 2,100      | 0.0     | -1.9  | -7.9  | -22.9    |
| Lead (\$/mt)           | 1,880      | -3.0    | 2.5   | -2.3  | -7.2     |
| Wheat (\$/bu)          | 552        | -1.3    | -1.2  | -1.2  | 4.2      |
| Corn (\$/bu)           | 381        | -0.5    | -0.7  | -1.8  | -8.1     |
| Sugar (\$/lb)          | 15.1       | 1.2     | 1.3   | 12.7  | 3.9      |

Source: Bloomberg

## Interest Rate Watch (3M Interbank Offer Rate, %)

| Country      | Last Close | 1 Day Change | YTD Change | Spread* |
|--------------|------------|--------------|------------|---------|
| US           | 1.68       | 0.00         | -0.23      | 0.00    |
| Saudi Arabia | 2.13       | -0.01        | -0.10      | 0.45    |
| UAE          | 1.89       | 0.01         | -0.32      | 0.21    |
| Kuwait       | 2.50       | 0.00         | -0.25      | 0.82    |
| Qatar        | 2.28       | 0.01         | 0.03       | 0.61    |
| Bahrain      | 2.57       | 0.00         | -0.10      | 0.89    |

Source: Reuters

**NOTES:** (1) Prices updated as of February 24, 2020 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, \*Spread = US 3M Rate – Country 3M Rate

## GCC & Global Markets Update

- Global markets were closed for trading on Sunday.
- Asian markets are trading in the red on Monday. China is down 0.3%. Japan and South Korea are trading 0.4% and 3.2% lower, respectively. Hong Kong has decreased 1.5%, while India is trading 1.1% lower, in the morning session.
- GCC markets ended mixed on Sunday. Dubai ended 0.7% lower, while Abu Dhabi gained 0.2%. Kuwait declined 0.1%, while Qatar decreased 0.4%. Oman increased 0.1% while Bahrain ended flat.
- The UAE's GDP is estimated to have grown 2.9% in 2019, according to the UAE Central Bank (CBAUAE). The overall rise in GDP was driven by the growth of the non-hydrocarbon sector – estimated at 1.1% – as well as a 7.6% growth in the hydrocarbon sector. (Source: Arabian Business)
- According to CBAUAE, the UAE's consumer price index (CPI) is falling at a slower pace due to an uptick in the non-oil sector and employment. The CPI declined by 1.6% Y/Y during 4Q19 compared to a drop of 2.1% in the previous quarter. (Source: Zawya)
- The Business Registration and Licensing (BRL) sector in Dubai Economy reported that 4,692 Instant Licenses were issued since the launch of the service in July 2017 to date. Among the Instant Licenses issued, 3,448 were commercial, 73.5%, and 1,244 in the professional, 26.5%, category. (Source: Trade Arabia)
- The Department of Culture and Tourism – Abu Dhabi (DCT) revealed that the number of international visitors who came to Abu Dhabi in 2019 went up by 10.5% to 11.35 million, buoyed by guests who arrived in the UAE capital for business conventions and events. (Source: Zawya)
- According to S&P Global Ratings, the overall credit profiles of rated banks in Kuwait should remain stable in 2020, barring any unexpected increase in geopolitical risk or a major fall in oil prices. (Source: Trade Arabia)
- The UAE's federal export credit company, Etihad Credit Insurance (ECI), partnered with the Saudi Fund for Development (SFD) for financing and providing credit insurance to protect non-oil exports of the UAE and KSA. (Source: Argam)
- Samsung C&T has announced that it has been awarded a USD 952mn (SAR 3.5bn) contract by Emirates Water and Electricity Company (EWEC) to build a 2,400 MW combined cycle power plant in Fujairah, UAE. (Source: Trade Arabia)

## Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended February 21 (prior: +0.4mn barrels) will be announced on February 26. (Source: Trading Economics)
- Japan's Industrial Production for January 2020 (prior: 1.2% M/M, consensus: 0.2% M/M) will be announced on February 26. (Source: Trading Economics)
- US jobless claims for the week ended February 22 (prior: 210K; consensus: 211K) will be announced on February 27. (Source: Trading Economics)



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